



[WWW.AZCLIMATECHANGE.US](http://WWW.AZCLIMATECHANGE.US)

**SUMMARY OF TELECONFERENCE MEETING #2  
RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL  
TECHNICAL WORKING GROUP  
SEPTEMBER 15, 2005**

**Attendance:**

1. Technical Working Group members:
  - Suzanne Culp – Arizona League of Conservation Voters
  - Ken Evans (for Kevin Kinsall) – Phelps Dodge
  - Jeff Homer – General Dynamics
  - Lisa McNeilly – Xanterra South Rim, LLC
  - Tim Mohin – Intel Corporation
  - Don Netko – Freescale Semiconductors
  - Amanda Ormond – Grand Canyon Trust
  - Jeff Schlegel – Southwest Energy Efficiency Partnership (SWEEP)
  - Penny Allee Taylor – Southwest Gas
2. ADEQ staff:
  - Kurt Maurer, Ira Domskey
3. Center for Climate Strategies (CCS) staff:
  - Alison Bailie, David von Hippel, Tom Peterson
4. Other Attendees:
  - Rebecca Chavez – Tucson Electric Power (TEP)

**Background documents:**

(all posted at <http://www.azclimatechange.us/template.cfm?FrontID=4674> )

1. Meeting Notice and Agenda
2. Summary of RCI TWG Call#1
3. Powerpoint presentation for meeting
4. RCI GHG Reduction Opportunities (updated policy matrix)
5. Appendix for updated RCI GHG Reduction Opportunities

**Discussion items and key issues:**

1. Summary of RCI TWG Call #1
  - a. No comments on summary as presented

## 2. Inventory and Reference Case Updates

- a. Penny Allee Taylor (Southwest Gas) had provided information on natural gas growth projection for Southwest Gas. Alison Bailie is developing a comparison of those projections and the projections in the draft inventory and reference case
- b. It was suggested that the RCI CCS staff follow up with Glen McGinnis regarding energy use and emissions from the new refinery.
- c. Rebecca Chavez (Tucson Electric Power) reported that the electricity sales projections from TEP were 3.4% to 4% per year, higher than the 3% per year in the draft inventory and reference case. Rebecca Chavez will check on the applicable time period for TEP's projections. CCS/Tellus staff will consult with the Energy Supply TWG and with other utilities to see if they have individual growth forecasts to share, and inform possible revisions to the electricity load growth projections.
- d. Alison Bailie (CCS) reported that the impacts of the federal 2004 Clean Air Non-Road Diesel Rule were included in the reference case projections for RCI petroleum use (based on projections from the EIA NEMS model).

## 3. Introduction and Discussion of Project Matrix.

- a. Jeff Homer (General Dynamics) noted that most options involved reductions of energy use and asked what about supply options such as nuclear. Tom Peterson pointed out that other options were being covered by other groups, including the energy supply group.
- b. Several people pointed out that the list did not provide details on how the actions would be implemented for all options. Tom Peterson (CCS) explained that this was the starting point, and as the TWG and Advisory Group (AG) processes continued, the TWG and AG would provide recommendations on policies to be pursued, as well as guidance as to how policies should be designed.
- c. Lisa McNeilly (Xanterra South Rim, LLC ) pointed out that the costs of greenhouse gas emissions reduction were expressed as net costs – and that it would be useful at some point to include implementation costs since the consideration of implementation costs will have a large impact on the feasibility of implementing the options.
- d. Amanda Ormond asked about other pollutants, and specifically about whether the list considered by the RCI TWG should include options to reduce emissions of methane. Ken Evans suggested close links with the WRAP (Western Regional Air Partnership) process, which looks at both local air pollutants and GHGs. David Von Hippel (CCS) noted that WRAP was a valuable resource and will be consulted.
- e. Ira Domskey (ADEQ) asked about solid waste options. Tellus/CCS will be including solid waste and wastewater-related greenhouse gas reduction options in the next version of the options matrix.

## 4. Discussion on Potentially Combining Options and Shortening the List

- a. Jeff Schlegel (SWEEP) pointed out that some options could be combined with others (such as appliance recycling combined with the utility DSM option) to

streamline the process of consideration of candidates and to shorten the list of options sent forward to the Advisory Group. Lisa McNeilly saw benefits of to keeping options separate at this point in the options consideration process (for example, appliance recycling could be implemented by groups other than utilities).

- b. Jeff Homer said he would prefer to see a short list of recommendations to the AG (half a dozen rather than 40) – the TWG agreed with this preference.
5. Presentation of Revised List of Options, and Consideration of Additional Options
  - a. David Von Hippel briefly reviewed the revised list of options for reducing RCI sector greenhouse gas emissions.
  - b. With the exception of the options to reduce emissions from waste handling and disposal (as noted above), no options were suggested for addition to the list.
6. Ranking of Options (group and item numbers below refer to numbering of options in the version of the Options Matrix distributed prior to RCI TWG Call #2)
  - a. Group 1 (Energy Efficiency Programs, Funds and Goals) – all agreed that these 4 options should all be high priority. There was discussion about potential implementation – mandatory versus voluntary. For example: Does the process of TWG options consideration have a defined goal for reductions? What funds will be available from state government for implementation? Tom Peterson noted that the Executive Order discussed “maximum effort”, and that the expectation was that the TWG and AG would work toward that goal, though it isn’t quantified. The TWG agreed to table implementation issues for now.
  - b. Group 2 (Appliance Standards) – AZ 2004 legislation includes appliance standards that were developed with consideration of the appliance standards in California. The TWG agreed that these emission reductions should be quantified and reported in a new priority category called “Continue existing policy track”. Jeff Homer noted that the Arizona market for appliances is probably too small to allow state-level standards, and Amanda Ormond noted that this consideration is reduced if Arizona adopts the standards in place for the much larger California market.
  - c. Group 3 (Buildings) –
    - i. Buildings codes – should be reworded to “continue efforts to update and upgrade, particularly encourage cities without building codes to adopt strong conservation codes (such as IECC 2003)”, and should be ranked as high priority.
    - ii. LEED and Green Buildings – ranked as high priority
    - iii. Options 3.3 to 3.6 will be combined as an overall “training/education” category for those involved in building planning, design, operations, and managements, will be expanded to include city planners and moved to education group – ranked as medium/high priority.
    - iv. Option 3.7 blended cement – should be ranked as low priority. A TWG member noted that questions have arisen about the strength of blended cement. Ira Domskey suggested that Apache station might be the only

facility in AZ with suitable fly ash, and that the question of fly ash suitability for blended might be addressed to members of the Energy Supply TWG.

- v. Emissions from diesel engines used in construction projects – Tellus/CCS is to find out more information from the Maricopa Association of Governments, APS, and SRP on estimates for total emissions from this source, and on potential emission reductions options.
- d. Group 4 (Education) – Jeff Schlegel and Rebecca Chavez (and others) noted that these were typically longer-term options, particularly education of school-age children. These options should be supported now, but should be expected to yield low impacts (emission reductions) in the short to medium term because these programs take time to become effective. The TWG saw high potential for emission reductions in longer term. Efforts to include such programs in school curriculum were challenging. TWG felt that both options (consumer education and school curriculum changes) would be high priority, but that emphasis on reduction of energy consumption rather than the science of climate change might be most effective. It was noted that previous efforts to adopt environmental education in AZ schools had in some cases resulted in a political backlash at the local level in some areas. Rebecca Chavez noted that TEP has had an “Energy Patrol” education program that has shown considerable effectiveness in reducing electricity consumption in schools.

**Next steps and agreements:**

1. CCS/Tellus staff will add options for emission reductions from solid waste management. CCS/Tellus staff will revise the matrix of options as suggested by the TWG in Call #2, and will provide a revised matrix for the next TWG meeting. TWG members are requested to provide further inputs on new options
2. **Next TWG call**  
**Thursday, Sept. 22, 2005, from 9 a.m. – 10:30 a.m.**